

S/033/0004  
cc: Lynn  
Task: 4225

**LAYOY O. TAYLOR**

**TELEPHONE: (208) 847-0185**

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**365 N. 4<sup>TH</sup> ST.**

**MONTPELIER, ID 83254**

June 20, 2011

State of Utah  
Department of Natural Resources  
Division of Oil, Gas and Mining  
**Attn: Paul Baker**  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, UT 84114-5801  
Phone: (801) 538-5261

RE: *Permit for Small Mine Near North Eden Creek*

Dear Mr. Baker:

I have received a copy of a letter that Ronald Teichert sent to you dated June 15, 2011. I do not know who actually received said letter in your office. Mr. Teichert in the 1<sup>st</sup> paragraph of said letter wrote as follows:

"It (is) highly doubtful that he (referring to me) actually owns the rocks which he wishes to remove. Removal would constitute theft."

It appears that Mr. Teichert, has slandered or committed libel, against me by accusing me of intending to steal stone that is not mine.

Also in the June 15<sup>th</sup> letter, Mr. Teichert implies that I have not communicated or attempted to communicate with him. I sent a certified letter (dated March 24, 2011) to him about my intent to create a small mine as well as to do improvements on the roads within the property. I also made frequent phone calls and left messages in an attempt to communicate with him. When I was finally able to reach him by phone, he did not communicate much with me and he did not state that he had any concerns on my desire to make improvements on the roads within the property. I asked if he would be able to meet to discuss said roads. He stated that he would not be able to meet and he did not make any attempts to find a date to meet. Thereby it was reasonable to believe that he had no concerns.

In said letter dated June 15, 2011, Mr. Teichert discusses the road work I had done on June 13, 2011. He states that the old road was "infinitely better than what is there now." It should be noted that I only re-worked the road that has been there since approximately 1945. The road work was only started and was not completed because he ordered me to stop. Not desiring to get into a physical altercation, I complied and had the

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Dept. of Natural Resources - Div. of Oil, Gas & Mining  
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**JUN 23 2011**

**DIV. OF OIL, GAS & MINING**



road work stopped. The road needs more work but it was improving from the original state and it was becoming smoother and easier for vehicles to drive on. Again prior to June 13, 2011, Mr. Teichert had ample opportunity and time to communicate any concerns to me but he did not.

On June 17, 2011, I received a letter dated June 16, 2011, from his attorney, Christopher E. Bramhall of Kirton McConkie. In paragraph 3, it states:

"I have no reason to question that North Eden Stone, Inc. owns whatever mineral rights were reserved in the 1958 Warranty Deed (subject of course to the oil and gas leases to which you refer, and to any other conveyances of mineral right that may have occurred). However, it is our position that the scope of the mineral right reserved in the deed does not include the rocks you wish to remove from the property"

Mr. Bramhall is wrong in concluding that North Eden Stone, Inc. is the owner of the minerals on the property in question, as you are aware.

Also in the June 16<sup>th</sup> letter from Mr. Bramhall, he continues on and states in paragraph 5:

"Moreover, the rocks in question are very common in the area, and are therefore analogous to sand and gravel, which is clearly excluded from the term 'minerals' under both statutory and case law in Utah. Indeed, 'rock aggregate' is excluded from the definition of 'mineral deposit' under section 40-8-1 et seq. of the Utah Code. While rock aggregate is not defined, we believe it includes loose, unconsolidated rock of a kind that is not generally cut or quarried; that is, precisely the kind of rock you wish to remove from the Property. It is clear, given the exclusion of sand, gravel and rock aggregate from the definition of mineral deposit, the commonly understood meaning of the term 'minerals' does not include any and all natural substances of value, but has a narrower meaning. Therefore, the fact that the rocks in question have a value and a market does not mean they are 'minerals' within the meaning to the 1958 Warranty Deed."

It is clear to me that Mr. Teichert's attorney has never been on the property in which I have an interest in the mineral estate, referring to Lot 5 of Section 6, T 14 N, R 7 E, in Rich County, Utah, or he would know the stones are a mineral deposit on the property that I intend to work.

Mr. Bramhall's and/or his client's belief that the rock in question is "loose, unconsolidated rock of a kind that is not generally cut or quarried" is incorrect for a number of reasons. This spring, Calvin Price, of Border, Idaho, who has a Degree in Geology from Utah State University, went with me to my mineral estate and proposed mine, in Lot 5, as hereinbefore described. He gave me his opinion as to what formations were on my mineral estate and to the best of my recollection they are as follows, to-wit:

- a. The veins/lodes/formations are of the Nugget Sandstone formation. Originally this formation was thousands of feet under the surface of earth and the Wyoming Thrust



forced said formation to the surface and formed them in a vein/lode/formation of a mineral deposit.

b. The reddish Nugget Sandstone is laying in a vein/lode/formation several hundred feet in thickness, is standing almost perpendicular in places, and has a lean to the west. This vein is about 700+/- feet thick, starts on or about the west side of the property and runs east. It runs from the north line of the property south about 800 feet to ground level.

c. The white sandstone is on the eastern portion of the property and leans to the west at about a 30+/- degree slope to the west. This vein/lode/formation starts showing at ground level south of the north line of my property about 800 feet, and runs north about 800 feet to the North line of my property. This vein/lode/formation is about 500 feet thick. It is a hard to very hard stone.

Further, the rocks in question are very difficult to break even with a sledge hammer, causes a hammer to ring when struck against it, and will likely require the use of machinery to loosen. This rock would then fall under a classification of lithified to well-indurated stone. The stone is particularly of vein/lode/formation type and can be seen in the following photograph of the white sandstone located on my proposed small mine.



Due to its characteristics, the above described veins/lodes/formations are therefore an accumulation of mineral matter in the form of consolidated rock. With this understanding, the veins/lodes/formations fall under the definitions of 6A in Utah Code 40-8-1 et seq.

(6) (a) "Deposit" or "Mineral Deposit" means an accumulation mineral matter in the form of consolidated rock, unconsolidated material, solutions, or occurring on the surface, beneath the surface, or in the waters of the land from which any



product useful to man may be produced, extracted or obtained or which is extracted by underground mining methods for underground storage.

The stone I will be working clearly meets the definition of "deposits or mineral deposits" as defined in Utah Code 40-8-1 et seq. and not a "loose, unconsolidated rock of a kind that is not generally cut or quarried" as stated as by Mr. Bramhall or his client, Ronald Teichert.

On April 15, 2011, Gary Lish, the owner of Thunderbolt Stone (a large operation in more than one state), of Inkom, Idaho, and his foreman arrived at my office in Montpelier, ID. Gary Lish told me he had an order for about I believe 300 to 400 ton+/- of white sandstone, so he wanted to look at what I had. They followed me in Mr. Lish's vehicle to my mineral estate/proposed mine in North Eden Canyon, in Rich County, Utah. He and his foreman looked over the white sandstone and told me that it was white sandstone of a high quality. He also then said that there is not a way to get his equipment in there to pick up the stone with the current condition of the roads crossing the property. I also heard him and his foreman discussing that if they could get in there how they would have to quarry the stone to get the quantities they wanted and how they would go about doing the quarry work.

We were standing about 30 feet or so from the white sandstone and he started to walk back to his truck. He stopped suddenly, turned to face the white sandstone, and said to me "I believe I just saw a vent in the white sandstone." He then said "I believe that is only about the 3<sup>rd</sup> or 4<sup>th</sup> vent I have seen in all my years working in rocks and quarries." I asked him where the vent was and he pointed to a rock ledge in the white sandstone. I asked him to wait, I went with my 3 or 5 pound sledge hammer to the rock ledge he guided me to, and I broke off a couple of pieces of the rock. I carried the rock pieces down off the vent with me. Gary Lish also pointed out to me where that type of rock ran through my white sandstone. We all then left. I went back to Montpelier and Gary, I believe, went to Wyoming where I think he also has a quarry.

The rocks from the vent that Gary Lish pointed out did not look very impressive to me so I did nothing with them for about 25 days. Then I decided to take a gamble and sent one rock off to **Rogers Research & Analysis Company** of 2340 South Redwood Road, Salt Lake City, UT 84119, phone (801) 973-4637, for the more accurate assay which is XRF analysis and which would cost me \$200.00. The results of the XRF analysis showed 1) Gold was 0.2 oz per ton; 2) Palladium was 0.2 oz per ton; 3) Silver was 6.5 oz. per ton; and 4) some other minerals. A copy of the report is attached hereto as part hereof.

The Assayer who did the assay in Salt Lake City, UT, recommended to me that I should dig down about 2 to 3 feet into the rock where I got my sample from because usually the rock below that has not been exposed to air, water, and weather will usually show even higher results than the sample I sent to them. I attempted to follow his advice and I took a 30 pound crow-bar up to the place where I obtained the original sample. I tried to dig down but due to the hardness of the rock and my age of 75 years, I could only



get down a half inch to an inch. I will have to have someone help me and may even need the use of heavier tools.

About a week ago, I was talking to Ray Humphreys of Montpelier, Idaho, about my mineral estate and proposed mine. I took him to my backyard and gave him one of the stones that came from the white sandstone. To my knowledge, Ray has worked for large mineral companies in the U.S.A. and foreign countries. He took the stone to Soda Springs, Idaho, where he and a friend apparently smashed the rock and did some kind of examination on it. He phoned me about 2 days ago and told me they found small flakes of gold in the rock.

I did not know about the gold, etc., when I started in this venture but I have done enough research to know that gold and other valuable minerals can and have been found in sandstone. Since I have found minerals in the white sandstone I will be checking the red sandstone when I get time and help to do it. Additionally I have an individual who is quite knowledgeable in such matters to give me advice.

For your information, I plan on extracting on the furthest east portion of my proposed mine in the white sandstone before extracting any other stone. This is the area where my steel posts are set up against the consolidated rock and the rock removal will come directly off of the white sandstone. It will be in the last 400 to 500 feet of the east end of my permit.

I believe that all red or white stone that has slid off or fallen from the consolidated rock veins/lodes/formations of my proposed mine belongs to my mineral estate. However, I will not remove same until this question of ownership is determined on stone that has slid off or fallen from veins/lodes/formations of the consolidated stone.

It is interesting that Mr. Teichert has mentioned in his letter to you that he thinks I may damage some of his meadow and North Eden Creek with my small mine operation. It is so particularly interesting in light of the fact that to my knowledge, I am the only one of the three that has not agreed to let Symbiotics build its dam on North Eden Creek. This dam would cover about a mile of Mr. Teichert's surface estate/land including some of the meadow he mentions in his letter and also Mr. Yale Johnson's land. Plus the Symbiotics dam would literally destroy North Eden Creek and the fish therein. Damage would come from flooding approximately 3 to 5 miles of North Eden Creek and the area around the creek at certain periods of the day and then drain it at other periods of the day, leaving the creek a muddy mess.

I believe the above paragraph is correct because in about the Fall of 2008, two of Symbiotics' agents came to my office in Montpelier, Idaho, and asked me to agree to let them flood my mineral estate where my proposed mine is. I asked them at that time if any other surface estate or mineral estate owners were agreeing to let them use their land. The agents told me that Ronald Teichert and Yale Johnson had agreed to do so.

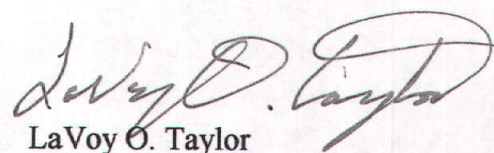


I told Symbiotics I would not agree because I did not want my or any of my family's oil, gas, and mineral rights/estate covered with water which would make it unusable, plus their project would irreparably damage North Eden Creek.

During about that same time period, I phoned Ronald Teichert and asked him if he was going to agree to let Symbiotics cover his land including some meadows with water as they wanted to do. He told he was going to sign with Symbiotics. Whether Mr. Teichert or his LLC. actually did sign an agreement with Symbiotics, I do not know but Symbiotics should know.

Mr. Teichert's letter dated June 15, 2011, to you is full of errors and/or intentional misrepresentations. Because Mr. Teichert has asked to meet with Mr. Kunzler and also Yale Johnson with regard to my mineral estate, I request that I be present at any such meeting. I also request that a Rich County Sheriff be present since Mr. Teichert has acted in an aggressive and threatening manner toward me in the near past.

Yours truly,

  
LaVoy O. Taylor

LOT/fnt

cc: Lynn Kunzler  
Attorney Christopher E. Bramhall  
of Kirton McConkie



# Rogers Research & Analysis Company

2340 South Redwood Road ~ Salt Lake City ~ Utah ~ 84119 ~ Phone: (801) 973-4637

CLAIR ROGERS President

Levoy Taylor

May 16, 2011

## Sample Identification: Rock Sample- XRF Analysis

Antimony		Palladium	0.2 oz/ton	146.60
Arsenic	Trace	Platinum	Not Detected	
Barium	.4 %	Rhodium ?	Not Detected	
Bismuth	---	Rubidium	Trace	
Chromium	.1 %	Ruthenium	Not Detected	
Cobalt	---	Silver	6.5 oz/ton	221.00
Copper	.1 %	Strontium	.1 %	
Gold	0.2 oz/ton = 297.26	Thorium	---	
Iron	11.2 %	Tin	---	
Lead	.1 %	Titanium	.3 %	
Manganese	.1 %	Tungsten	---	
Molybdenum		Uranium	---	
Nickel	Trace	Vanadium	---	
Osmium	Not Detected	Yttrium	---	
Iridium	Not Detected	Zinc	.1 %	
Tellurium	Not Detected	Zirconium	Trace	

Per Ton Total 664.20  
C-S-P

The analysis results above show metals present in the sample. It does not show metals extracted!

Fire Assay      Gold      0.05 oz/ton  
                    Silver      1.61 oz/ton

*Clair Rogers*

Mr. Clair W. Rogers M.S.